027133
0-35036
P92-2235
92 14 9682

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

RECEIVED
MAY 15 1992
128

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1992

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ..... to .....

PROCESSED BY
9-9-1
MAY 18 1992

Commission file number 33-27603

Microfilmed by
Q-Data Corp. - St. Petersburg, FL

NORTH AMERICAN INTEGRATED MARKETING, INC.

L 30

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	22-2942013 (I.R.S. Employer Identification Number)

Wayne Interchange Plaza I
145 at Route 46
Wayne, New Jersey 07470
(Address of principal executive offices)
(Zip Code)

(201) 890-7330
(Registrant's Telephone number, including area code)

Indicate by check mark the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes __X__ No ____

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements. Please refer to the following pages for the financial statements of North American Marketing Integrated Marketing, Inc. (the "Company") for the first quarterly period ended on March 31, 1992.

NORTH AMERICAN INTEGRATED MARKETING, INC.
BALANCE SHEET

(UNAUDITED)

	AS OF	
ASSETS	03/31/92	12/31/91
Current Assets		
Cash	$248,828	$285,298
Accounts Receivable less allowance for doubtful accounts	1,148,968	984,445
Accounts Receivable - Related companies	6,962	0
Officer loan	1,000	0
Prepaid expenses & other assets	29,176	55,260
Income tax refund receivable	0	0
Total Current Assets	1,434,934	1,325,003
Furniture and equipment at cost less accumulated depreciation	233,426	210,534
Goodwill, less accumulated amortization	0	0
TOTAL ASSETS	$1,668,360	$1,535,537
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts Payable	$554,067	$768,352
Accounts Payable - Related companies	263,609	533,811
Note payable - Related Company	17,008	34,325
Customer postage payable	257,063	289,084
Income taxes payable	25,000	(249)
Note payable -Line of credit	283,181	48,062
Accrued expenses and other current liabilities	484,495	206,424
Excess of accumulated billings over related costs	32,000	62,750
Current Maturities of long-term debt	18,051	13,279
Total Current Liabilities	1,934,474	1,955,838
Longterm Notes Payable	37,468	18,255
Longterm Notes Payable-related company	0	1,152
Total liabilities	1,971,942	1,975,245
Stockholders' Equity		
Common stock, $.00001 par value; 50,000,000 authorized, 16,000,073 shares issued and outstanding	160	160
Paid in capital	55	55
Accumulated Deficit	(303,797)	(439,923)
Total shareholders' deficit	(303,582)	(439,708)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$1,668,360	$1,535,537

NORTH AMERICAN INTEGRATED MARKETING, INC.
STATEMENT OF OPERATIONS
FOR THE THREE MONTH PERIOD ENDED MARCH 31
(UNAUDITED)

	1992	1991
Net Revenue	$1,855,739	$1,167,814
Costs and expenses		
Cost of revenue	1,164,847	725,206
Selling, general & administrative expense	495,993	397,220
Provision for doubtful accounts	6,000	0
Interest	10,975	14,900
Depreciation & amortization	16,548	20,418
Total costs and expenses	1,694,364	1,157,744
Net Income before taxes	161,375	10,070
Provision For Income Tax	25,000	4,332
Net Income	$136,375	$5,738
Net Income per common share - Primary and fully diluted (16,000,073 share avg.)	$0.0085	$0.0004

The accompanying notes are an integral part of these financial statements.

NORTH AMERICAN INTEGRATED MARKETING, INC.
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED MARCH 31
(UNAUDITED)

	1992	1991
Cash flows from operating activities		
Net income loss	$136,375	$5,738
Adjustments to reconcile net income loss to cash provided by operating activities:		
Depreciation	16,548	20,418
Loss on sale of asset	0	0
(Increase) Decrease in:		
Accounts receivable	(164,523)	(406,429)
Accounts receivable - related party	(6,962)	0
Officers' loans receivable	(1,000)	0
Income tax refund receivable	0	0
Prepaid expenses	26,084	9,350
Excess of accumulated billings over related costs	0	0
Increase (Decrease) in:		
Accounts payable	(214,285)	43,187
Accounts payable - related party	(270,202)	28,903
Accrued liabilities	278,072	(133,070)
Customer postage payable	(32,021)	(211,394)
Income taxes payable	25,000	4,332
Excess of accumulated billings over related costs	(30,750)	0 446,288
Net cash provided (used) by operating activites	(237,664)	(192,677)
Cash flows from investing activities		
Purchase equipment	(39,441)	(1,375)
Proceeds from sale of asset	0	0
Net cash provided (used) by investing activities	(39,441)	(1,375)
Cash flows from financing activities		
Net borrowing (repayment) note payable related company	(18,469)	(3,547)
Net borrowing note payable - line of credit	235,119	710
Proceeds from issuance of long-term debt	27,761	0
Repayment of long term debt	(3,777)	(4,709)
Proceeds from issuance of common stock	0	0
Net cash provided by financing activities	240,634	(7,546)
Net increase (decrease) in cash	(36,470)	(201,598)
Cash at beginning of period	285,298	222,120
Cash at end of period	$248,828	$20,519

The accompanying notes are an integral part of these financial statements.

Notes To Financial Statements (Unaudited)

Note 1. Basis of Presentation

The accompanying unaudited financial statements do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair statement of results for the periods have been included. Operating results for the three month period ended March 31, 1992 are not necessarily indicative of the results that may be expected for the year ended December 31, 1992. For further information, refer to the financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 1991.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

(a) Results of Operations - Three Months Ended March 31, 1992 Compared to Three Months Ended March 31, 1991

Net revenue increased by $687,925 from $1,167,814 for the three month period ended March 31, 1991 as compared to $1,855,739 for the three month period ended March 31, 1992 as a result of sales to several new customers and a reduced reliance on customers in the financially troubled banking industry.

Cost of revenue increased by $439,641, from $725,206 for the three month period ended March 31, 1991 to $1,164,847 for the three month period ended March 31, 1992. Contributing to this increase was increased purchases attributable to the increase in sales volume. Selling, general and administrative expense increased by $98,773 from $397,220 for the three month period ended March 31, 1991 as compared to $495,993 for the three month period ended March 31, 1992. This increase in selling, general and administrative expenses resulted from the Company's increased expenditures for advertising and commissions due to the increase in the Company's sales volume. Provision for doubtful accounts increased by $6,000 from $-0- for the three month period ended March 31, 1991 to $6,000 for the three month period ended March 31, 1992. Contributing to this increase in provision for doubtful accounts was the Company's change in accounting procedures regarding the booking of accounts receivable. Interest expense decreased by $3,925 from $14,900 for the three month period ended March 31, 1991 to $10,975 for the three month period ended March 31, 1992. Contributing to this decrease in interest expense was the decrease in the interest rate charged on the Company's revolving line of credit. Depreciation and amortization decreased by $3,870 from $20,418 for the three month period ended March 31, 1991 to $16,548 for the three month period ended March 31, 1992. Contributing to this decrease was the reduction in the percentage used to determine the depreciation allowance pursuant to the accelerated depreciation method utilized by the Company. As a result of the foregoing, total costs and expenses, including selling, general and administrative, increased by $536,520 from $1,157,744 to $1,694,364. Overall, the Company experienced a net income of $136,375 for the three month period ended March 31, 1992, representing an increase in net income of $130,637 over the same three month period in 1991. The increase in the Company's income is directly attributable to the increase in the sales volume.

(b) Liquidity and Capital Resources

As of March 31, 1992, the Company had a working capital deficit of $499,540 compared to the related deficit of $630,834 at December 31, 1991. Contributing to this approximate 21% decrease in the Company's working capital deficit were (1) an increase in accounts receivable at March 31, 1992; and (2) the realization of the benefits attributable to the Company's cost management program initiated during the previous calendar years, which included a decrease in compensation to its employees.

The Company has improved its financial condition by decreasing its heavy concentration of financial institution customers and diversifying its customer base to non-financial institution customers. In 1990 financial institutions comprised 79% of the Company's revenue. In 1991 this percentage decreased to 49% of the Company's revenues. The Company continues to attempt to diversify and increase its customer base, pursuing potential clients in the catalog and package goods sectors so as not to become too dependent on its current financial clients.

Net cash used by operating activities increased by $44,987 from ($192,677) for the three month period ended March 31, 1991 to ($237,664) for the three month period ended March 31, 1992. Contributing to this increase was the increase in cost of revenue and other expenses due to the increase in the Company's sales volume. Net cash used by investing activities increased by $38,066 from ($1,375) for the three month period ended March 31, 1991 to ($39,441) for the three month period ended March 31, 1992. Contributing to this increase was the acquisition of certain assets, including furniture and fixtures. Cash flow provided by financing activities increased by $248,180 from ($7,546) for the three month period ended March 31, 1991 to $240,634 for the three month period ended March 31, 1992. Contributing to this increase was the increased utilization by the Company of its revolving line of credit to fund a portion of its operations.

From its inception in April, 1987, the Company has funded its operating and capital requirements through a revolving line of credit, loans from related companies and revenues generated from operations. Since July 1990, the Company has funded itself through a revolving line of credit and revenues generated from operations. The Company's operating and capital requirements during the three month period ended March 31, 1992, has been funded by a revolving line of credit averaging $359,713. The remaining operating and capital requirements of the Company has been funded by revenue generated by operations. As of March 31, 1992, the amount available under the Company's revolving line of credit was $283,181.

The Company has no intention for further capital expenditure purchasing at this time and has focused on improving results of operations through a cost management program. The combination of these two events is expected to improve its liquidity on a short term basis. The Company believes the combination of the aforementioned events will improve its cash position in the long term.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

There is no material litigation or other legal proceeding currently pending against the Registrant.

Item 2. Changes in Securities

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders, through solicitation of proxies or otherwise, during the quarter ended March 31, 1992.

Item 5. Other Information

The Net Income per common share of $0.0085 for the three month period ended March 31, 1992 is calculated as follows:

Common shares outstanding	16,000,073
Net Income	$ 136,375
Per share - Primary and fully diluted	$ 0.0085

Item 6. Exhibits and Reports on Form 8-K

None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NORTH AMERICAN INTEGRATED
MARKETING, INC.
(REGISTRANT)

Date: May 13, 1992

(signature)
Name: Robert W. Paltrow
Title: Secretary/Treasurer